Duty (CVD) determining value on the basis of maximum retail price to check under-invoicing.

The field officers, considering the detailed instructions issued last year, are already checking critically value declared by the importers particularly for the consumer goods imported through Dubai, Singapore, Hongkong and Bangkok. As per reports, in a number of cases of import of such consumer goods declared invoice prices are not being accepted and these are suitably loaded for charging duty before customs clearance. Wherever deliberate attempt and/or substantial under-valuation is noticed, adjudication proceedings are also being initiated under the Customs law and suitable fines and penalties also imposed apart from collecting duties on higher values as determined.

Government has also made suitable change in the Customs law as a part of the current year's Budget proposals to enable levy of Counter Vailing Duty (CVD) on the basis of Maximum Retail Price (MRP) of the consumer goods for sale in India as required to be indicated before customs clearance.

Cheating of small investors by M/s Mekaster Finlease Ltd.

4200. SHRI GOPALSINH G. SOLANKI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that M/s. Mekaster Finlease Limited, 908, Ansal Bhavan, New Delhi-110001 has cheated the small investors to the tune of several hundred crores of rupees;

(b) if so, what are the details of fraud committed by the above firm;

(c) whether permission of Reserve Bank of India was obtained for collecting money from small investors;

(d) if not, the action taken or proposed to be taken against the company; and

(e) the steps being taken to recover money for reimbursement to small investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Reserve Bank of India (RBI) have reported that M/s. Mekaster Finlease Limited, registered as a category 'B' Company, is not allowed to accept public deposits. No complaint from any investor/depositor has been received against the Company as per record of RBI.

(b) Does not arise.

(c) to (e) The Company held deposits to the tune of Rs. 8.75 lakhs as on 31st March, 1996 and Rs. 4.85 lakhs as on 31st March, 1997 which stood repaid as on 31st January, 1998 as per the findings of the snap scrutiny conducted by the RBI.

Income Tax evasion by M/s Mekaster International Pvt. Ltd., New Delhi

4201. SHRI DILIP SINGH JUDEV: Will the Minister of FINANCE be pleased to state:

(a) whether M/s Mekaster International Pvt. Ltd., 908, Ansal Bhavan, New Delhi-110001 have deviated their funds to other group companies for investments in land and property;

(b) if so, the details thereof;

(c) whether such deviation of funds have not been reflected in the income tax returns for the purpose of evading taxes;

(d) if so, what are the details of income tax paid during the last three years with the details of funds diverted to other companies; and

(e) what are the details of foreign remittances received by the company during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) According to the details filed by M/s Mekaster International Pvt. Ltd. with the income tax return for assessment year 2000-2001, advances of Rs. 1.34 crores had been made as on 31.3.2000 to 8 companies which, by their names, appear to be belonging to the Mekaster Group.